

**A RESOLUTION IN SUPPORT OF PASSAGE OF THE 1996 INDIANA
BALLOT REFERENDUM QUESTION #2 REGARDING THE INVESTMENT
OF PUBLIC RETIREMENT FUNDS.**

WHEREAS, Referendum question #2 on the November 5, 1996, ballot in the State of Indiana will ask: "Shall Section 12 of Article XI of the Constitution of the State of Indiana be amended to allow State retirement funds to invest in stocks and other securities?"; and

WHEREAS, Indiana is currently one of only two (2) states in the nation which does not permit stocks as an investment option for State pension funds; and

WHEREAS, the Indiana General assembly enacted SEA 69 - 1996 requiring the Trustees of the Public Employees Retirement Fund (PERF) and the Teachers Retirement Fund (TRF) to observe the "Prudent Investor Rule," replacing the "Prudent Person Rule" as the standard for investments in these two funds; and

WHEREAS, the "Prudent Investor Rule" is the highest standard of governance that applies to pension management; and

WHEREAS, the local portion of pre-1977 Police and Fire Pension annual benefit obligations for the City of Fort Wayne are expected to increase by over three hundred percent (300%) between 1995 and 2017; and

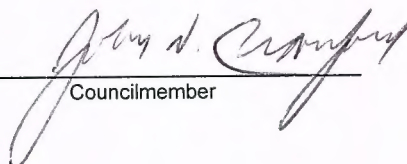
WHEREAS, the Indiana Fiscal Policy Institute estimates that, over the next thirty years, Indiana public employee pension funds earnings would increase by \$43.2 billion should the investment opportunities allowed by an affirmative vote on Question #2 be utilized; and

WHEREAS, said earnings would reduce the future tax burden of Indiana taxpayers by reducing the future pension obligations to be supported by state and local operating budgets.

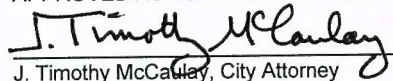
NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA;

SECTION 1. The Common Council of the City of Fort Wayne, Indiana, does hereby support the amendment of the Constitution of the State of Indiana to allow state retirement funds to invest in stocks and other securities and encourages the passage of 1996 Ballot Referendum Question #2.

SECTION 2. That this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.


Councilmember

APPROVED AS TO FORM AND LEGALITY


J. Timothy McCauley, City Attorney

DIGEST SHEET

TITLE OF ORDINANCE RESOLUTION

DEPARTMENT REQUESTING ORDINANCE COMMON COUNCIL

SYNOPSIS OF ORDINANCE COMMON COUNCIL SUPPORTS AMENDING CONSTITUTION OF THE
STATE OF INDIANA TO SUPPORT PASSAGE OF 1996 BALLOT REFERENDUM QUESTION #2.
REFERENDUM ALLOWS STATE RETIREMENT FUNDS TO INVEST IN STOCKS AND OTHER
SECURITIES.

EFFECT OF PASSAGE _____

EFFECT OF NON-PASSAGE _____

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) _____

ASSIGNED TO COMMITTEE (PRESIDENT) _____

Read the first time in full and on motion by _____,
and duly adopted, read the second time by title and referred to the
Committee on _____ (and the City Plan Commission
for recommendation) and Public Hearing to be held after due legal notice, at
the Common Council Council Conference Room 128, City-County Building, Fort
Wayne,, Indiana, on _____, the _____ day of
_____, 19_____, at _____ o'clock
_____, M., E.S.T.

DATED: _____

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford,
and duly adopted, placed on its passage. PASSED ~~LOST~~
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	8			1
BENDER	✓			
CRAWFORD	✓			
EDMONDS				✓
HALL	✓			
HAYHURST	✓			
HENRY	✓			
LUNSEY	✓			
RAVINE	✓			
SCHMIDT	✓			

DATED: _____

10-22-96

SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,
Indiana, as (ANNEXATION) _____ (APPROPRIATION) _____ (GENERAL) _____

(SPECIAL) _____ (ZONING) _____ ORDINANCE RESOLUTION NO. 9-62-96

on the 22nd day of October, 1996

ATTEST:

SANDRA E. KENNEDY, CITY CLERK

PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on
the 23rd day of October, 1996,
at the hour of 10:30 o'clock A., M., E.S.T.

SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 24th day of October,
1996, at the hour of 6:00 o'clock P., M., E.S.T.

PAUL HELMKE, MAYOR

BILL NO. R-96-10-12

REPORT OF THE COMMITTEE ON
FINANCE
THOMAS C. HENRY - JOHN N. CRAWFORD - CO-CHAIR
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN (~~ORDINANCE~~) (RESOLUTION) in support of passage of
the 1996 Indiana Ballot Referendum question #2 regarding the investment
of Public Retirement Funds

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION) _____

DO PASS

DO NOT PASS

ABSTAIN

NO REC

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
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_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

DATED: 12-22-96

Sandra E. Kennedy
City Clerk